

# Creative America

## PREFACE

### Strengthening Democracy

**C**reative America reflects the conviction that a thriving culture is at the core of a vital society. The creative force of the arts and the humanities strengthens our democracy. The members of the President's Committee see the arts and the humanities as a "public good," which benefits all Americans, just as surely as does a strong educational system.

The President's Committee reviewed abundant evidence that participation in the arts and the humanities unlocks the human potential for creativity and lifts us beyond our isolated individualism to shared understanding. History, literature, ethics and the arts offer lessons on the human condition that connect individuals to the community and overcome the social fragmentation that many Americans feel. To remain a robust civil society, our democratic system needs the arts and the humanities.

The interconnection between culture and democracy is described by Benjamin Barber, who writes in an essay commissioned by the President's Committee that culture and democracy "share a dependency on one extraordinary human gift, imagination. Imagination is the key to diversity, to civic compassion and to commonality. It is the faculty by which we stretch ourselves to include others, expand the compass of our interests to discover common ground, and overcome the limits of our parochial selves to become fit subjects to live in democratic community... It is only a mature democracy that fully appreciates these linkages.

"The arts and humanities are civil society's driving engine, the key to its creativity, its diversity, its imagination and hence its spontaneousness and liberty."

"A community lives in the minds of its members - in shared assumptions, beliefs, customs and ideas..."

**Our economy is measured in numbers and statistics, and it's very important. But the enduring worth of our nation lies in our shared values and our soaring spirit. So instead of cutting back on our modest efforts to support the arts and humanities, I believe we should stand by them, and challenge our artists, musicians, and writers, our museums, libraries and theaters, to join with all Americans to make the year 2000 a national celebration of the American spirit in every community – a celebration of our common culture in the century that has passed, and in the new one to come in the new millennium, so that we can remain the world's beacon of liberty and creativity, long after the fireworks have faded.**

**— President Clinton,  
State of the Union Address,  
February 4, 1997**

writes John W. Gardner, founder of Independent Sector. “Every healthy society celebrates its values. They are expressed in the arts, in song, in ritual. They are stated explicitly in historical documents, in ceremonial speeches, in textbooks. They are reflected in stories told around the campfire, in the legends kept alive by old folks, in the fables told to children....Indeed, the Constitution, in addition to being an instrument of governance, is an expression of pledged values.”

A society that supports the arts and the humanities is not engaging in philanthropic activity so much as it is assuring the conditions of its own flourishing.

### The Richness of American Culture

Our cultural heritage defines us as Americans and reflects the diversity of our people. The promise of democracy and the interactions of many peoples helped to create new ideas and artistic expressions that are uniquely ours. America is indeed a country of creators and innovators. We register 550,000 copyrights for music, art, manuscripts and software a year and publish 62,000 books.

When we use the word “culture” in this report, we mean those forms of human creativity that are expressed through the arts and those disciplines of the mind described as the humanities, most notably history, languages, literature and philosophy.

By American culture, we mean both Pueblo dancers and the New York City Ballet; the local historical society as well as the History Department of Harvard University; the church choir and the St. Paul Chamber Orchestra; the lone scholar in her cubicle and the citizen debate in a Town Hall. Within American culture, we embrace the treasures preserved in our museums and libraries, the diverse heritage of our many ethnic communities, and the dynamic power of our entertainment industry.

Historian Merrill Peterson writes in an essay for the President’s Committee: “The uprooted of America mingled with those whose presence told the story not of choice and freedom but of force and tears — the Native Americans displaced on their own continent and the Africans involuntarily uprooted from another. The amalgam made the United States, in Walt Whitman’s phrase, a nation of nations. The steady influx of new peoples and culture — in time Asian and Latin American as well as European and African — contributed to the shaping of a dynamic tradition, one continually faced with the challenges of ethnic and cultural differences...and enriched by the mixture of new elements in its composition.”

Indeed, the President’s Committee notes that the cultural sector is one of the most integrated areas of American life. “Our diversity is our strength and the foundation of what is uniquely American in art and culture, including jazz, American dance, Twain, Faulkner, Broadway, the Grammy Awards, Richard Wright, and Leontyne Price,” author Lerone Bennett, Jr. reminds us.

We use the metaphor of the “border” to describe the combinations and innovations in American cultural development. The perimeter along which opera lived with popular song yielded musical theater. The border between black and white Americans gave us blues, jazz, and rock n’ roll. It is the border of Texas and Mexico that nurtured the tradition of Tejano music and cuisine. The line along which art and technology touch energizes our film, broadcasting and recording industries. Where photography and the tape recorder meet history, knowledge is informed by personal narrative.

Today, the distinctly American achievements of our artists and humanists are recognized throughout the world. The Declaration of Independence, the writings of Abraham Lincoln, the speeches of Martin Luther King, Jr. draw on the traditions of humanistic thought and all exert influence beyond the confines of our country. Jazz, musical theater, modern dance, film, abstract expressionism and the American novel are among our gifts to civilization.

## AMERICA PARTICIPATES

### In 1996, our nation could count:

- **over 8,000 museums including 4,510 historic sites and history museums**
- **over 30,000 libraries (counting branches)**
- **3,665 institutions of higher learning**
- **2,000 local preservation commissions**
- **351 public television stations**
- **548 public radio stations**
- **7,000 community theaters**
- **1,800 symphony orchestras**

## Appreciation and Organization of Culture

Americans enjoy the arts and the humanities in many ways that are woven into the fabric of everyday life. Our citizens encounter culture every day, when they pass an historic building, read an op-ed piece which illuminates an issue, listen to country music on the radio, enjoy the design of a computer program, or feel moved by a powerful story on screen or stage. When the high school band plays in the Fourth of July parade or a minister preaches about ethical values, people do not think, “I am having an arts and humanities experience.” But, in fact, these experiences are rooted in the arts and humanities. They are the everyday signposts that point to how creative and reflective experiences are deeply embedded in our lives.

How many citizens are involved in cultural pursuits? No complete statistical portrait of audiences can be painted, but the data suggest that the number is very large. Bureau of the Census surveys in 1992 indicate that 42% of the population attended theater, opera or the ballet, heard a jazz or classical concert, or visited a museum or a commercial art gallery. Hundreds of thousands of Americans participate in amateur theater, gospel groups, book clubs and library discussions. Amateur folk dancers abound, as do woodcarvers, quilters and photographers. Americans buy books and go to the movies in droves. Just a few indicators of this hunger for cultural experiences emerge from President’s Committee research:

- Over a quarter of a million Americans care enough about preserving their architectural legacy to become dues-paying members of the National Trust for Historic Preservation.
- Over the past decade, two million adult readers took part in reading and discussion groups organized by the American Library Association, state humanities councils, and local libraries.
- Museums of all types report large increases in attendance. *The Age of Rubens* exhibition attracted a quarter of a million visitors to the Toledo Museum of Art in Ohio — the largest attendance in the Museum’s 93-year history. Neither the shutdown of the federal government nor the blizzard of 1996 could deter thousands of people from standing in line for hours for a chance to view the Vermeer show at the National Gallery of Art in Washington, D.C.

In 20th century America, especially in the last 30 years of the public-private partnership that sustains cultural life, we have seen a remarkable flowering of the arts and the humanities. There are more opportunities than ever before for our citizens to participate in and be enriched by cultural experiences.

The world of informal cultural groups is an important aspect of American culture that is understudied and often overlooked. A San Francisco foundation survey of “informal arts groups” reported over 100 ethnic dance companies in the Bay Area alone. In 1996, the Tennessee Arts Commission identified over 300 active bluegrass, gospel and blues groups. A blues magazine counts 140 annual blues festivals in the United States, most organized by volunteers.

The intensity of these attachments to specific art forms, local historical traditions, and all kinds of neighborhood and ethnic organizations demonstrates how the arts and the humanities continually renew themselves and their communities.

## Interplay of Amateur, Non-profit and Commercial Culture

In the United States, amateur, non-profit and commercial creative enterprises all interact and influence each other constantly. A mariachi music revival, supported with government grants, goes mainstream as the popular groups produce recordings. Non-profit presses now publish much of the poetry and experimental fiction that commercial publishers used to present. Popular history books and television programs draw on scholarly research. The strains of Aaron Copland and Shaker hymns are heard on television advertising. Visual artists recognized in museum shows are then represented by commercial galleries; the reverse is also true.

This flowing exchange among the amateur, non-profit and commercial segments of culture deserves special attention because it expands our understanding of how culture operates and of the many avenues for participation. The President’s Committee observes that amateur activity enlivens community life and cultivates deeper appreciation of the arts and the humanities. Non-profit organizations offer some separation from marketplace demands, allowing the artists and humanists whom they employ to experiment, develop followings for new productions and revive historical material. Commercial enterprises require substantial investment and take significant risks; many have succeeded in bringing new talent to greater audiences, widening opportunities for American designers, writ-

ers, historians, musicians, dancers, actors and others. Commercial firms influence the rest of culture and are influenced by it.

Oprah Winfrey's new television "Book Club" is a dramatic example of the dynamic between the ability of the entertainment industry to reach a large audience and the public hunger for ideas and literary content. Oprah's first book selection, Jacquelyn Mitchard's *The Deep End of the Ocean*, leaped to the New York Times bestseller list. Oprah's second choice, Toni Morrison's *Song of Solomon*, a book about the black experience in America, more than matched this success. Following Toni Morrison's appearance on the Oprah Winfrey show, 16,070 books were sold in one day. *The Washington Post* reported that *Song of Solomon* is now being sold at Wal Marts and Price Clubs, "places no Nobel winner has ever been."

The interplay between non-profit and commercial arts is dramatically revealed in the relationship between non-profit theaters and Broadway's commercial theaters. Because the economics of Broadway work against the development of plays, the task of producing much new work falls to the nation's non-profit regional theaters.

Over the past twenty years, 44 percent of the new plays produced on Broadway originated in the non-profit sector. We note that the peak period of importing plays from non-profit theaters — the mid 1970s and early 1980s — coincided with the high point of grant-making activity by the National Endowment of the Arts to regional theaters.

Hollywood, too, draws upon stories and talent developed in the non-profit sector, although there are no studies which describe this relationship precisely. Examples of plays produced in non-profit theaters and later made into movies are: *Driving Miss Daisy*, *Gin Game*, *On Golden Pond*, *Children of a Lesser God*, *Glengarry Glen Ross*, and *Prelude to a Kiss*.

In publishing — where the United States is the largest market for books in the world, with sales reaching an estimated 20 billion dollars in 1995 — there is also a close relationship between the non-profit sector and the commercial field. In the last 35 years, commercial publishers have become part of large conglomerates which, emphasizing higher profit margins and more rapid returns on their investments, concentrate resources on mass market books. New work in fiction,

poetry, translation and on scholarly subjects is now published by literary journals, universities or independent presses. The smaller and non-profit presses have become the stepping stones for many writers on their way to public attention. In 1996, only one of the nominees for the National Book Award in poetry emanated from a large commercial publisher; the other nominees were published by non-profit and other small presses.

There are other examples of the interrelatedness of cultural production. For many painters and sculptors, success in a commercial gallery is preceded by years of hard work with non-profit venues in college galleries or community centers. The sheet music and instruments produced by commercial publishers and manufacturers have a solid market among amateur and non-profit musical groups and schools.

We note that the copyright industries — motion pictures and television, the music recording industry, publishing and advertising, and computer software — constitute one of the fastest growing segments of the American economy. The motion picture and television industry has already become one of the most significant export industries in the United States and has supplanted the aerospace

and defense industry as the leading employer in the Los Angeles area. The entertainment industry is a dynamic force in the business world, linked to a wide array of other industries, such as telecommunications, consumer products, retail and fashion.

The relationship these brief examples imply is one that should be examined with more research. The President's Committee urges a greater dialogue among the amateur, non-profit and commercial creative sectors to explore their common interests, cooperate to preserve cultural material, and perhaps form new partnerships to present the arts and the humanities to a wider public.

We believe that the future vitality of American cultural life will depend on the capacity of our society to nourish amateur participation, to maintain a healthy non-profit sector, and to encourage innovation in commercial creative industries.

## Interdependent Support System

The nation's cultural support system is a complex structure pieced together from many different sources: earned income; contributions from individuals,

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corporations and foundations; and grants from local, state and federal governments. The entire system is interdependent, operating in “synergistic combination,” with public and private donor sectors influencing each other and funding different parts within the whole.

Cultural life is affected by the same forces as the rest of society. Factors such as the rate of economic growth, income inequality, stresses on leisure time and a decline in the habit of civic participation all affect active involvement in the arts and the humanities and the earned income of cultural organizations. A strong economy means more discretionary income for cultural experiences, travel and entertainment. Continued economic growth boosts the endowment funds of arts and humanities organizations fortunate enough to have them.

Held up by a fragile web of many interdependent strands of support, non-profit cultural organizations are as sensitive to these factors as are other non-profit organizations at the heart of America’s public life. This extensive not-for-profit sector is independent of government, yet often carries out joint purposes with federal, state and local governments. There are thousands of such organizations in this country, providing health care and other services, educating youth, conserving history and presenting our culture. Millions of Americans participate in or are employed by this sector, whether they work at a library, help build houses for low-income citizens or serve as guides in museums.

Like other non-profit entities, cultural organizations exist for public benefit rather than to make money. Unlike business enterprises, no part of their “net earnings...inures to the benefit of any private shareholder or individual.” (IRS code) And as part of the non-profit sector, cultural organizations will never earn enough money to cover all their expenses. They do not survive in the marketplace alone. As Arthur Schlesinger, Jr. said in his 1988 Nancy Hanks Lecture, “...the most precious institutions in society — our schools, universities, hospitals, clinics, libraries, museums and churches — are precisely those that do not earn their own way. All are characterized by the fatal gap between earned income and operating costs. Our civilization depends on activities that enrich the nation even if they do not meet the box office test.”

It is difficult for some Americans to accept the notion that the portion of our cultural life that is nurtured by non-profit organizations requires subsidy.

Why subsidy is necessary has been persuasively explained by economist William J. Baumol in his analysis of the performing arts. The arts are “handicraft activities,” not affected by labor-saving progress. Cultural organizations cannot reduce labor costs or increase productivity enough to make up for inflation.

This “cost disease” means that non-profit cultural organizations never earn as much as they spend. Colleges and universities are in a similar situation; tuition cannot possibly cover the entire cost of educating students. Some highly valued institutions in our society, such as libraries and research institutions, have few sources of earned income.

Our complex, interdependent support system relies heavily on private contributions. Yet there are worrisome signs that new generations and newly profitable businesses are not carrying on the ethic of giving. We see a need for the renewal of American philanthropy. We also believe that families, and religious, educational and charitable organizations have a responsibility to teach the ethic of philanthropy and voluntarism: to reinforce the understanding that people have the obligation to support that from which they derive benefits.

Although government does not play the major role in funding culture, government influences cultural development in many ways. The health of non-profit organizations — including private foundations — depends in no small part on government policies that value their role in society and help them to flourish. If the role of the



**MOTHEREAD, Inc.**, a literacy project supported by the North Carolina Humanities Council, teaches reading skills in a family setting. Photo courtesy, MOTHEREAD, Inc.



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federal government in cultural development is modest, it is nonetheless critical. For government funding is a signal to the rest of society that a vital culture is worth supporting.

The increased needs of our society mean that many worthy causes are competing for both government funds and private contributions. The President’s Committee investigated many ways for cultural organizations to earn more income and to develop new sources of financial support. We found some room for expanding earned income. And there are ideas for new resources that merit more exploration. We conclude, however, that there is no “silver bullet,” no new source or structure that will replace the complex support system that is so unique to America and that generates such a wealth of cultural capital.

### **The Cultural Sector: Assets and Deficiencies**

In preparing *Creative America*, the President’s Committee examined the strengths and weaknesses of our cultural support system. Although millions of Americans participate in the humanities and the arts every day and find their lives and communities enriched, there are still barriers that inhibit participation. We are particularly concerned about cultural activities in the non-profit realm, for without private or public support they cannot be sustained. In size, scope and participation, the cultural sector demonstrates vitality; but it also shows symptoms of stress and instability that must be addressed if we are to preserve cultural capital and encourage new creativity for the next century.

The United States begins these tasks with significant assets in place:

- resilient and innovative cultural organizations
- a rich variety of cultural communities and traditions
- talented and dedicated artists and scholars
- compelling findings that demonstrate the positive effects of arts and humanities education on children’s learning and behavior
- a tradition of giving and volunteering
- increasing local and state support for the arts and the humanities
- a dynamic entertainment industry that employs creative talent and has the potential for partnerships with the non-profit sector.

The deficiencies in our cultural development include:

- fragile and threatened cultural institutions
- loss of cultural heritage and traditions
- undercompensated and under-employed artists and scholars
- lack of meaningful arts education for a substantial number of children; weakening of the humanities core curriculum
- economic pressures on Americans’ discretionary incomes, pressures on leisure time
- stagnating philanthropy and voluntarism
- a lack of value for the role of culture in society, signalled by the federal government’s reduced commitment.
- a climate of intolerance for challenging works and ideas.

The members of the President’s Committee believe that America’s future will be strengthened by a renewed commitment to our cultural life. Fortunately for our citizens, the United States is prospering today. The nation is at peace and although not everyone is sharing in its benefits, the economy is growing. If as a society we value the contributions of the arts and the humanities, we can afford to invest in them. We are rich in resources and spirit; we can afford to champion a Creative America.